

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Laurie Robison,
Petitioner-Appellant,

v.

Polk County Board of Review,
Respondent-Appellee.

ORDER

Docket No. 11-77-0450
Parcel No. 060/01738-003-000

On December 21, 2011, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioner-Appellant Laurie Robison requested a hearing and submitted evidence in support of her petition. She was represented by Brian Robison. Assistant County Attorney Ralph E. Marasco, Jr. represented the Board of Review at hearing. The Appeal Board now having examined the entire record, heard the testimony, and being fully advised, finds:

Findings of Fact

Laurie Robison, owner of property located at 3931 Lay Street, Des Moines, Iowa, appeals from the Polk County Board of Review decision reassessing her property. According to the property record card, the subject property consists of a one-story dwelling having 1283 total square feet of living area, including 455 square feet of finished attic, built in 1942. The dwelling has a full basement with 400 square feet of average quality finish and a 384 square-foot wood deck. It has a 4+00 quality grade and is in very good condition. The property is also improved by a 988 square-foot, detached garage built in 1981. The improvements are situated on 0.919 acres.

The real estate was classified as residential on the initial assessment of January 1, 2011, and valued at \$127,500, representing \$29,700 in land value and \$97,800 in dwelling value.

Robison protested to the Board of Review on the ground the property assessment is not equitable compared to like properties in the taxing jurisdiction under Iowa Code section 441.37(1)(a) and the property is assessed for more than authorized by law under section 441.37(1)(b). The Board of Review denied the protest.

Robison then filed her appeal with this Board based on the same grounds. She requested a reduction in value to \$125,100, allocated \$30,300 to land value and \$94,800 to improvement value.

She offered four equity comparables from her neighborhood that she deemed comparable to her property. The following summarizes the comparable information:

Address	2009 AV	2011 AV	Change	% Change
Subject	\$ 125,100	\$ 127,500	\$ 2,400	2%
3948 E 25th	\$ 89,620	\$ 81,200	\$ (8,420)	-9%
3837 E 29th	\$ 129,000	\$ 124,800	\$ (4,200)	-3%
3920 E Douglas	\$ 129,900	\$ 123,800	\$ (6,100)	-5%
2824 E Madison	\$ 104,300	\$ 94,600	\$ (9,700)	-9%

The Board of Review appraiser analysis is critical of the comparables selected by Robison because two of the comparables are larger than the subject property, and all are 30 to 40 years older.

Brian Robison testifying on behalf of Laurie, questioned why their assessment was raised in 2011 when the equity comparables he selected all had reductions. He testified a representative on the neighborhood association reported houses in the subdivision had declined 20% in value. Also, a Des Moines Register article reported over-assessment of 3% to 5% in Des Moines. And finally, an Iowa Realty agent informed him that assessed values in the area were not raised. Robison testified he selected comparable properties of similar size, age, and site size in or near Douglas Acres subdivision.. He reported the subject property was listed for \$134,900 and eventually reduced to \$2000 less than the assessed value without any offers.

The Board of Review's certified record included offered four comparable sales in its Appraiser Analysis. Three of the four were one-story dwellings with attic finish similar to the subject property.

Address	TSFLA	SF Det Garage	SF Basement	SF Basement Fin	Sale Date	Sales Price	2011 AV	\$SPSF	\$AVPSF
Subject	1283	988	828	400			\$127,500		\$99.38
3922 E 25th	912	440	912	0	10/2/2009	\$132,500	\$116,600	\$145.29	\$127.85
2539 E 42nd	1268	576	780	0	4/12/2010	\$132,000	\$131,300	\$104.10	\$103.55
2939 E Douglas	1370	0	720	400	8/23/2010	\$118,000	\$122,200	\$86.13	\$89.20
2416 Farwell	1150	576	720	0	4/20/2010	\$115,900	\$112,900	\$100.78	\$98.17

Comparing only the 2010 sales to the 2011 assessments it indicates the median equity ratio (assessment to sales price) is 99% and the average equity ratio is 100%. The assessed value of the subject property is well within the sales prices per square foot and the assessed value per square foot of the comparables. It appears the adjustments were made based on cost and this hybrid method is questionable. With this caveat, we note the adjusted sale prices ranged from \$96.62 per square foot to \$150.86 per square foot, placing the assessed value of the subject property per square foot, within the lower end of this range as well.

Information on three equity comparables considered by the Board of Review were included in the certified record. All are slightly larger and newer than the subject property. While the subject property is assessed more per square foot than the comparables, none of the comparables have a deck or basement finish, whereas the subject property has a 384 square-foot deck¹ and 400 square foot of basement finish.² They have quality grades ranging from 4+00 to 4+05. We again note the adjustments appear to be based on costs. The information is summarized as follows:

Address	TSFLA	AV	Condition	Neighborhood	AV per SF
Subject	1283	\$ 127,500	Very Good	DM03/Z	\$ 99.38
2759 Easton	1318	\$ 103,100	Normal	DM14/Z	\$ 78.22
2803 John Patterson	1307	\$ 118,500	Very Good	DM11/E	\$ 90.67
2740 John Patterson	1307	\$ 117,300	Very Good	DM11/E	\$ 89.75

¹ The assessor's cost report values the replacement cost new before depreciation of the deck at \$6144.

² The cost report has a replacement cost new before depreciation of \$5600 for the basement finish.

Brian Robison was critical of the Board of Review's use of comparables three to five miles from Douglas Acres and closer to Grandview Golf Course, which he claims is a more desirable area. We agree, and find four one-story properties with finished attics in the district map in the record of approximately the same size and grade as the subject property, summarized as follows:

Address	TSFLA	Year Blt	Grade	Condition	AV	AV/PSF
Subject	1283	1942	4+00	VG	\$ 127,500	\$ 99.38
3948 E 25th	1123	1923	4+00	NM	\$ 98,400	\$ 87.62
3911 Lay	1044	1921	4-10	NM	\$ 82,700	\$ 79.21
3932 Lay	1214	1925	4-05	NM	\$ 71,400	\$ 58.81

These properties have assessed values of \$58.81 to \$87.62 per square foot with a median of \$79.21 per square foot, as compared to the assessed property's assessment at \$99.38 per square foot. The other properties are all rated in normal condition compared to the subject rating of very good which may explain why the assessed value per square foot is higher.

Although some of the evidence suggests Laurie Robison's property may be over-assessed, viewing the record as a whole, we find that she failed to prove by a preponderance of the evidence the property assessment is inequitable compared to like properties in the taxing jurisdiction or is over-assessed as of January 1, 2011. We recommend the Board of Review request an inspection of the property in particular to assure proper valuation of the basement finish, condition, and appropriate grading.

Conclusion of Law

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only

those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). Robison did not prove by a preponderance of the evidence that her property is inequitably assessed under either test.

In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Robison failed to prove by a preponderance of the evidence that her property is over-assessed and the fair market value of the property.

Viewing the evidence as a whole, we determine the preponderance of the evidence does not support Robison's claims of inequitable assessment or over-assessment as of January 1, 2011. Therefore, we affirm the property assessment as determined by the Board of Review of \$127,500, representing \$29,700 in land value and \$97,800 in dwelling value as of January 1, 2011.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the Polk County Board of Review is affirmed as set forth above.

Dated this 17 day of February 2012.

Jacqueline Rypma
Jacqueline Rypma, Presiding Officer

Richard Stradley
Richard Stradley, Board Chair

Karen Oberman
Karen Oberman, Board Member

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>2-17</u> , 2012	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u>[Signature]</u>